SECRET

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SUBJECT

Heinz FELFE

@ Hans FRIESEN

Subject Penetration

I - BIOGRAPHIC

- A. Subject was born on 18 March 1918 in Dresden, where he apparently spent much of his earlier life. He married Ingeborg CONRAD, born 16 September 1919, also of Dresden. They have two children, Hans-Ulrich, born 7 March 1944 in Dresden, and Ursula, born 4 October 1948 in Honnef bei Bonn.
- Subject joined the Hitlerjugend in 1932 and during the period from 1936-1939 he served in the Allgemeine SS. Fis Nazi Party number was 3710348. During the Polish Campaign in 1939, Subject served in a construction battalion, but it was soon discovered that Subject had heart trouble and this, coupled with the fact that he was still a student, earned him a release from further service. He was then free to continue his studies and in 1941-42 he was a student of law at the University of Berlin. In order to gain aid for his studies he apparently obligated himself to enter the rolice service on completion of his studies. Thus, in 1942 he began his



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police career and, after a period of basic training. returned to the Kripostelle in Dresden. Later in 1943 he served in a similar capacity in Gleiwitz and possibly Kattowitz. Still later the same year, Subject began his intelligence career when he entered Amt VI in its Berlin headquarters, where he served on the Swiss Desk. He apparently remained there until 1944 or possibly early 1945, when he was transferred to Holland and became involved in the NORDPOL operation. Hostilities were soon terminated, however, and Subject was taken prisoner by the Canadian Army. At the time of capture, he was an Obersturmbahnfuehrer in the SIPO. He was subsequently released from POW status in October 1946, according to his own statement. A brief extract from a British/interrogation report indicates Subject made a favorable impression on his captors because of his intelligence and despite his frank admission of having been an ardent Nazi.

C. As can best be pieced together from fragmentary data, it appears Subject began working for the STS in the Cologne area immediately following his release by the





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Canadians. He served with the 6th Area Intelligence of Office in Cologne and operated against the KPD in that area. He appears to have served with the BIS until 1948, although little is known of this period. Fe did indicate that he had seen his BDC file, and this curiosity Subject possesses regarding file information on himself is to manifest itself throughout his subsequent career.

- University of Bonn in 1948. This could mean that his service with the BIS terminated earlier. This period of study is worthy of note, however, because Ludwig ALBERT felt reason to doubt it and initiated an investigation to determine if Subject actually studied at Bonn.
- E. In 1949-50, Subject was a member of the Nauheimer Kreis, under Prof. Ulrich NOACK, and while a member participated in a conference in Weimar. NOACK was a professor of history and a leader of some fame in neutralist circles. He apparently is both a neutralist and a pacifist. Subject's inclusion in such a group appears a bit out of context, though his studies at that period may have influenced him.

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and allegedly came to the attention of UPSWING because of a yellow handbook he authored on the VOPO. Also apparently at the same time, Subject ran afoul of the Winistry of Interior or the BfV because he had falsified information on himself. This presumably may refer to an effort to hide his Nazi background, although it is not clear.

II - UPSWING HISTORY

A. Subject entered on duty with the UPSWING Organization in November 1951. He was assigned to GV"L" and presumably lived in the Karlsruhe area. He served from the very first as a III F Referent, a post which he has consistently held, though at different levels. He served with GV"L" until 15 September 1953. What prompted his transfer to the Zentrale at this time is not reflected in the files. The HOEHER flap of early 1953 did, of course, necessitate some reorganization with GV"L" and it is conceivable that this prompted Subject's transfer. GV"L" itself was always a hotbed



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the Zentrale CE staff were many and were to increase, particularly after the Lili Marlene and ALBERT exposes. Subject was immediately employed on the CE Operations staff as an SRIS desk officer under @ RISCHKE, himself a former GV"L" alumnus who joined the Headquarters staff a year previously. Subject continued to work under @ RISCHKE until circa 1955 or 1956, when he was ultimately able to take over the desk himself. has historically worked most closely with @ HERMANN, who was his counterpart on the CE Analytical staff. Subject's best known operation is, of course, LENA, which is still a going project. Subject rose progressively in status and is one of the most respected Zentrale desk officers. He has recently received his Regierungsrat status and undoubtedly is regarded as

of intrigue and frictions between the GV"L" staff and



a person who still has a future.



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III - PERSONALITY AND MOTIVATION

- A. Personality-wise, Subject can be described as intelligent, competent and inclined to be reserved. He has always been in contact with members of the KUBARK Liaison Staff and has uniformly been cooperative, the criterion being joint interest; Subject is not known as a person who gives away information. Subject's appearance at luncheons and cocktail parties is not unusual. If in town and if invited, he is almost certain to appear. He does not appear as eager to accept dinner invitations and, apparently, has entertained an American in his home on only one occasion. His standard of living is relatively high in comparison with most UPSWINGers. He has a roomy apartment in a better section of Munich. He has always had a car of which he need not be ashamed.
- B. Subject appears to have no hobbies, though he is an avid reader and usually reads books related to his profession. He has read all the classic World War II spy novels and has done a fair amount of background reading on the use of the polygraph.





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- C. Subject's health is not the best. He has had gum difficulties which cause him to lose several weeks a year from the job in addition to making him generally miserable. He also is a victim of allergies which occur at most inopportune moments. He was required to return prematurely from a DRACO trip as a result of a sudden outbreak of hives. In spite of the fact that Subject is a most intense worker, there have been no indications that he has had heart difficulties, which could lead one to suspect that his heart trouble in 1939 was one of convenience.
- D. He is not known to have any enemies within UPSWING, nor are there indications that he has any particular friends. He appears to be a dedicated intelligence officer keenly interested in his work and one who places a premium on professional competence. He has been described thusly: "His ambition and his dedication to his work dominate his life. He can be reserved, sly, shrewd, imaginative and energetic. His personality is not a warm one and there are few endearing traits in





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his make-up. On the other hand, on a professional basis, he can be most pleasant to deal with. He is a man who apparently ties his personal future to the West and has made the decision to fight Communist ideologies and practice within the framework available to him, i.e. UPSWING. It would not be surprising to see him emerge in a few years as one of the leading members of the Organization, either officially by virtue of his rank or unofficially by virtue of the fact that he has gained the ears of those who hold power. The last sentence refers to the fact that on several occasions Subject has been given some of the more sensitive operations in the CE field by UTILITY, presumably on the basis of professional competence.

E. In summation, his motivation, as with most, is a combination of idealism and materialism. His personality is at best difficult to describe and emerges only during the course of sustained contact.





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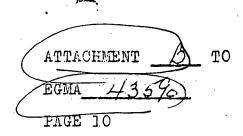
IV - SECURITY CONSIDERATIONS

Subject has been somewhat of a security enigma largely as a result of his apprenticeship in GV"L" and the insinuations directed toward him, largely by Ludwig ALBERT (who himself, like Philbrook, led three separate lives — though not for the FBI). ALBERT, Deputy Chief of GV"L", was at the same time an UFSWING CI/CE chief, an MfS agent and a CIC informant. ALBERT made a practice of denouncing any of his employees who left his Dienststelle for the Zentrale. Subject fell victim to ALBERT's attacks and insinuations, which, at best, were vague. To go back to the earliest time, however, the following factors related to security or having security implications, emerge:

- A. Subject's interest in his BDC file in 1946 or 1947 at the time he was employed by the BIS.
- B. Subject's involvement with the Nauheimer Kreis in 1949 and 1950.
- C. Subject's service in GV"L", which was known to have been penetrated because of the Lili Marlene and ALBERT exposes which destroyed the usefulness of the Dienst-







stelle for more than a year and necessitated a complete reorganization. It has been determined that subsequent to his transfer, however, Subject has been denounced as a leader of an SD clique within UPSWING. It is safe to say that this does not apply to his activities within the Zentrale, although it is known that Zweigstelle "e" of Dienststelle 24 does have a high percentage of RSHA types, most of whom are known to Subject.





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- D. © BERNHARDT once remarked to Golihew in 1957, in connection with a discussion of \(\subseteq \subseteq \text{tandem theory,} \)
 that he was most dissatisfied with Subject's lack of cooperation in regard to a review of the Lili Marlene case. When Golihew suggested that perhaps Subject thought the Lili Marlene case was "old bash" and not worth his time, @ BERNHARDT reacted in rather emotional manner and cut the conversation short with the comment that there was much more to Subject's lack of cooperation than met the eye.
- E. As early as 1955, Subject has had an intense interest in the LCFLUTTER. He has associated his interest with his police background and police application of the device. Since 1955, he has read several books on the subject, and he is the single UPSWINGer who has evinced continued interest in the subject without relating it to any specific operational problem with which he is faced.
- F. In March 1956, Subject, in connection with a discussion of the ALBERT expose, expressed interest in what information the Americans might have in their dossier on him. We appeared particularly worried that the Americans





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might have a black mark against him in their classified files. Subject subsequently expressed curiosity over the possibility that American files might contain derogatory information on him and, in one instance, required assurance that we would not be in such close liaison with him if we had derogatory information on him. In fairness to Subject, most of his curiosity predates the time of his DRACO journey to the U.S. Perhaps he was concerned that he would be eliminated from a pleasant journey and a prestige type junket on the basis of some of ALBERT's slander, or perhaps there was a more sinister reason.

G. There is one remark in CIC traces on Subject which indicates that prior to 28 September 1954 he came under suspicion of conveying information about the "Gehlen Organization" to the Soviets. It was presumed that this remark pertained to an ALBERT allegation. There was also an allegation, dated 24 June 1954, that Subject and @ SCHUSTER were major suspects in a "Gehlen Organization" security leak. As the Lili Marlene case broke on 22 June 1954, it is conceivable





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that this case was the security leak referred to. not known why Subject was suspected of the Lili Marlene leak, if indeed he was actually suspect.

Between 28 February and 5 March 1957, Subject was on TDY in Berlin, presumably in connected with the LENA () case. Information on file indicates UTITITY, after sending Subject to Berlin, requested that he be discreetly protected on a 24-hour a day basis. information indicated that then in Berlin, was assigned the mission. On one of the days involved,

discovered Subject was absent from his hotel from circa 1800 hours to 0500 hours. the course of an early breakfast the following morning Subject mentioned that he had been to the movies and a show, and produced two tickets as evidence. was certainly no reason for Subject to produce the tickets as evidence and, oddly enough, only one of the tickets was torn. The file also fails to explain the reason for an early breakfast and, more significant,

The heliumitails to mention Subject's physical appearance. in testilat 0500. Here Hee early breakfast of recall Historica for I, howas not drunk. Otherwise & Can't remember what I said about his physical

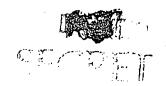
appearance PS. Utility's request to protect Suly on a 24 hr. bares did not reach BOBY [until ca 1800 hrs. When [] went to take him in tow, he was gone.



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we can assume the omission signifies that Subject was completely normal, it is indeed an indication that he was not really out on the town. It is difficult to assess this incident. Subject naturally did not know that he was "under protection" and hence must have felt free to go it on his own. UTILITY's request for protection is not unusual, as he has consistently expressed fear for his staffers in Berlin and has kept their appearances there to a minimum. Subject certainly had permission to be in Berlin and there is no reason to assume it was a self-sponsored TDY.

Deen explained. He has all of the more material things in life, to wit: an unusually nice apartment in a better section of Munich, a home in the process of construction in Kufstein, a late model Taunus four-door sedan, good clothes, and a minimum of requests for FX items, which others of his co-workers so frequently request. It may be that Subject operates on an efficient budget. It should be understood that his standard





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of living is high only in comparison with that of other UPSwINGers, who indeed may have more personal or family problems.

